ANNUAL REPORT 1990

PRINCE EDWARD ISLAND

TEACHERS' SUPERANNUATION COMMISSION

DEPARTMENT OF EDUCATION

FOR THE SCHOOL YEAR ENDING

JUNE 30, 1990

91-03848/

TO HER HONOUR
THE HONOURABLE MARION L. REID
LIEUTENANT GOVERNOR OF THE PROVINCE
OF PRINCE EDWARD ISLAND

MAY IT PLEASE YOUR HONOUR

I have the honour to submit herewith the annual report of the Prince Edward Island Teachers' Superannuation Commission for the school year ending June 30, 1990, including certain tables, reports and other matters containing information relative to the administration of the Prince Edward Island Teachers' Superannuation Act.

I have the Honour to be, Madam
Your Obedient Servant

Paul Connolly
Minister of Education

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2. Report of the Auditor-General

Members - P.E.I. Teachers' Superannuation Commission for the period July 1, 1989 to June 30, 1990.

Roger W. Burke[1] (chair)

P. Allan Murphy[2]

Frank McQuaid[2]

Bruce Montgomery[2]

Gar Andrew[1]

William Bartlett[1]

W. Bruce White[1]

1. Appointee of Minister of Education
2. Appointee of P.E.I. Teachers' Federation
3. Appointee of Minister of Finance

Secretary to the Commission - Ronald F. Rice
Director of Administration
Department of Education

SUPERANNUATION ACT AMENDMENTS

During the period July 1, 1989 to June 30, 1990 there were no amendments made to the Teachers' Superannuation Act.

APPLICATIONS FOR SUPERANNUATION

During the period July 1, 1989 to June 30, 1990 the following applications for superannuation were approved:

Item 2 - Applications for superannuation.

Muriel Adams	June 28/30	16(1)(a)	17938.75	July 1/90
Shirley Bowness	May 31/37	16(1)(c)	15696.80	Dec. 21/89
M. Elizabeth Cannon	Jan. 1/28	16(1)(a)	17201.93	July 1/90
Weston Carmody	Sept. 19/34	16(1)(d)	25814.81	July 1/90
Mary Cooke	Sept. 15/29	16(1)(a)	20106.45	July 1/90
Sr. Pauline Dalton	Feb. 6/40	16(1)(a)	4670.04	Mar.1,2000
Joyce Dixon	May 18/35	16(1)(d)	22715.49	July 1/90
Theresa Donahue	Oct. 11/31	16(1)(b)	25667.30	July 1/90
John Fisher	Dec. 24/25	16(1)(a)	11063.49	July 1/90
David Fraser	May 1/46	16(1)(c)	16304.32	Sept.20/90
Gerald Gallant	April 17/35	16(1)(b)	22916.18	May 1/90
J. Henri Gaudet	Aug. 19/32	16(1)(b)	25385.07	May 1/90
Shirley Gormley	Feb. 28/39	16(1)(a)	4870.36	Mar. 1/99
Delma Horne	Sept. 19/28	16(1)(a)	21847.99	July 1/89
Frances Howatt	May 17/35	16(1)(b)	15917.50	July 1/90
Mary T. Keoughan	April 20/28	16(1)(a)	23454.60	July 1/90
C. Donald King	July 10/31	16(1)(d)	43016.89	Aug. 1/90
Micheline McCarron	Jan. 28/33	16(1)(b)	24671.58	July 1/90
Willard McCarron	Apr. 16/35	16(1)(b)	26156.57	July 1/90
Melinda MacDonald	Feb. 26/30	16(1)(a)	22715.49	July 1/90
Pearl MacDonald	Mar. 20/38	16(1)(d)	25814.81	July 1/90
Reta MacDonald	Oct. 26/36	16(1)(d)	22715.49	July 1/90
Christine MacInnis	Jan. 24/33	16(1)(a)	1620.00	Feb. 1/93
Edith MacLeod	Aug. 1/30	16(1)(a)	15472.49	Sept. 1/90
Jean MacPherson	June 6/26	16(1)(a)	13844.11	July 1/90
Thomas Mahoney	Nov. 25/34	16(1)(b)	25683.31	July 1/90
Annie Mooney	Dec. 26/33	16(1)(d)	15342.25	July 1/90
Merrill Nicholson	Feb. 14/30	16(1)(a)	6368.58	Mar. 1/90
Leo W. Peters	May 30/45	16(1)(c)	14493.17	Mar. 31/90
Alice Richard	Jan. 17/35	16(1)(b)	16888.33	Feb. 1/90
Clarice Richard	June 17/30	16(1)(a)	3845.30	July 1/90
Catherine Seaman	Mar. 18/41	23(1)	6915.89	Apr. 24/90
Victor Toews	May 23/30	16(1)(d)	26949.09	Feb. 1/90
Helen C. Turner	Feb. 1/29	16(1)(a)	23115.90	Feb. 1/90
Sr. Mary T. Walker	July 23/33	16(1)(d)	25684.33	Feb. 1/90
Sr. Doreen Walsh	Dec. 28/37	16(1)(b)	22864.55	Jan. 1/93

SUPERANNUATES DECEASED DURING THE PERIOD JULY 1/89 TO JUNE 30/90

NAME	DECEASED	AGE
Frances Neal*	May 20/89	69
Barry Bugden	July 15/89	75
Sr. Dorothy Doyle	Sept. 11/89	84
Sr. Bertha Trainor	Sept. 14/89	98
Helen Leard	Oct. 10/89	72
Mildred E. MacDonald	Oct. 12/89	75
Grace Praught	Dec. 7/89	74
Earith Jardine	Dec. 8/89	80
Mildred Stewart	Nov. 12/89	85
Cecilia Daley	March 3/90	92
Nelly Brown	March 17/90	79
Georgie Driscoll	April 12/90	81
Sr. Vera MacLellan	April 16/90	86
Gwen MacNutt	April 22/90	75
Lucy A. Doiron	May 1/90	97
May Edith Griffin	May 7/90	79
Louise Gallant	June 11/90	78
Blanche MacPherson	June 15/90	77

*Missed from June 30/89 report.

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

PROVINCE OF PRINCE EDWARD ISLAND

TEACHERS' SUPERANNUATION FUND

FINANCIAL STATEMENTS

JUNE 30, 1990

AUDITOR GENERAL

CHARLOTTETOWN

PRINCE EDWARD ISLAND

AUDITOR'S REPORT

To the Commissioners of the
Teachers' Superannuation Commission
Province of Prince Edward Island

I have audited the balance sheet of the Province of Prince Edward Island Teachers' Superannuation Fund as at June 30, 1990 and the statement of continuity of fund for the year then ended. These financial statements are the responsibility of the Teachers' Superannuation Commission. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at June 30, 1990 and the results of its operations for the year then ended in accordance with generally accepted accounting principles.

J. Wayne Murphy, C.A.
Auditor General

Charlottetown, Prince Edward Island
November 2, 1990

PROVINCE OF PRINCE EDWARD ISLAND

TEACHERS' SUPERANNUATION FUND

BALANCE SHEET

JUNE 30, 1990

(with comparative figures at June 30, 1989)

ASSETS

Assets	1990	1989
Cash	$ 396,369	$ 134,047
Contributions receivable	5,318	15,387
Accrued interest	866,276	1,016,097
Term deposits	1,200,000	1,100,000
Investments - Notes 1 and 2	71,937,135	67,596,651
	$74,405,098	$69,862,182

LIABILITIES AND FUND RESERVE

Current Liabilities		
Installment buybacks - Note 5	42,557	22,454
Accounts payable	53,876	56,662
	96,433	79,116
Fund Reserve		
Teachers' Superannuation Fund - Note 4	74,308,665	69,783,066
	$74,405,098	$69,862,182

(The accompanying notes are an integral part of these financial statements)

ON BEHALF OF THE COMMISSION:

COMMISSIONER: _____

COMMISSIONER: _____

PROVINCE OF PRINCE EDWARD ISLAND

TEACHERS' SUPERANNUATION FUND

STATEMENT OF CONTINUITY OF FUND

YEAR ENDED JUNE 30, 1990

(with comparative figures for the year ended June 30, 1989)

	1990	1989
Balance, beginning of year	$69,783,066	$61,490,283
Add:		
Employees' contributions	3,679,345	3,529,513
Employers' contributions	3,679,345	3,530,161
Buybacks and transfers - Note 6	301,037	278,695
Interest on buybacks and transfers - Note 7	411,846	419,251
Investment income - Note 8	5,043,753	5,902,722
Market value increase (decrease) - Note 3	(1,110,229)	2,000,440
	12,005,097	15,660,782
Deduct:		
Pensions paid	6,680,243	6,176,979
Refunds and transfers - Note 9	268,023	478,763
Interest on refunds and transfers - Note 10	300,120	547,601
Custodial and management fees	227,812	151,804
Miscellaneous	3,300	12,852
	7,479,498	7,367,999
Balance, end of year	$74,308,665	$69,783,066

(The accompanying notes are an integral part of these financial statements)

PROVINCE OF PRINCE EDWARD ISLAND

TEACHERS' SUPERANNUATION FUND

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1990

1. Significant Accounting Policy:
Investments are valued at market value.

2. Beutel Goodman and Company Ltd. and E. J. McConnell & Associates (Atlantic) Limited were appointed investment managers of the Teachers' Superannuation Fund on September 1, 1988. As at June 30, 1990 the investment portfolio held by the Bank of Montreal, the Fund's custodian, consisted of the following:

	1990	1989
Canadian treasury bills	$ 8,145,551	$11,752,633
Other liquid assets	469,995	318,794
Bonds and debentures	30,798,380	31,020,025
Canadian equity securities	25,437,503	19,803,672
Foreign equity securities	7,085,706	4,701,527
	$71,937,135	$67,596,651

3. Market value increase (decrease) measures the change in the market value of investments between July 1, 1989 and June 30, 1990 or to the date of sale on investments sold during the year.

4. This amount does not represent the actuarial liability of the Teachers' Superannuation Fund. An Actuarial Valuation Report of the Fund as of July 1, 1987 was conducted by Eastern Canada Consulting Services Ltd. This report indicated there was an unfunded liability of $128.9 million. Payment of pensions is guaranteed by the Province of Prince Edward Island under Section 9(3) of the Teachers' Superannuation Act.

5. A past service buyback by installment plan was implemented in September 1983. Under this plan installments are accumulated for individual participants in a special fund until a sufficient amount is available to complete the buyback transaction. At that time the total buyback amount is recorded as a contribution to the Pension Fund.

6. The Teachers' Superannuation Commission has entered into reciprocal transfer agreements with similar pension authorities across Canada as well as within the Province. These agreements enable teachers who meet the requirements to transfer pension contributions and service from one pension authority to another.

	1990	1989
Employee buybacks	$ 87,779	$116,822
Employee transfers in	107,796	80,674
Employer transfers in	105,462	81,199
	$301,037	$278,695

7. Interest on Buybacks and Transfers

	1990	1989
Interest on transfers in	$297,106	$274,812
Interest on buybacks	114,740	144,439
	$411,846	$419,251

8. Investment Income

	1990	1989
Interest on investments	$4,068,814	$5,530,991
Dividend income	881,415	165,570
Other income	93,524	206,161
	$5,043,753	$5,902,722

9. Refunds and Transfers

	1990	1989
Employee refunds	$121,385	$196,813
Employee transfers out	73,319	140,975
Employer transfers out	73,319	140,975
	$268,023	$478,763

10. Interest on Refunds and Transfers

	1990	1989
Interest on refunds	$ 21,966	$ 92,940
Interest on transfers out	278,154	454,661
	$300,120	$547,601